

— KREGER BEEGHLY, PLLC —

ATTORNEYS

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August 6, 2012

Hon. Mike Kreidler
Insurance Commissioner
State of Washington
5000 Capitol Blvd.
Turnwater, Washington 98501

RECEIVED

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**INSURANCE COMMISSIONER
COMPANY SUPERVISION**

ATTENTION: Ron Pastuch
Holding Company Manager
Company Supervision Division
Office of the Insurance Commissioner

**RE: Form A Statement Regarding the Acquisition of Control of
Amerigroup Washington, Inc., a Washington-domiciled
Health Care Service Contractor ("HCSC")**

Dear Commissioner Kreidler and Mr. Pastuch:

On behalf of WellPoint, Inc., an Indiana corporation ("WellPoint"), and ATH Holding Company, LLC, an Indiana limited liability company and a direct wholly owned subsidiary of WellPoint ("ATH" and, together with WellPoint, the "Applicants"), we are filing the enclosed Form A Statement in accordance with Chapter 48.31C RCW and Chapter 284-18A WAC regarding WellPoint's proposed acquisition of control of the HCSC in connection with WellPoint's pending acquisition of the HCSC's parent company, Amerigroup Corporation, a Delaware corporation ("AGP"), under an Agreement and Plan of Merger dated July 9, 2012. That acquisition would constitute a change in control of the HCSC.

The Applicants respectfully request the approval of the Commissioner for the proposed acquisition of control described in the Form A Statement. We have enclosed for filing one originally signed Form A Statement (including exhibits) and two (2) copies of the Form A Statement (including exhibits). We request that one copy of the Form A Statement, along with this letter, be file-stamped for our records. Please do not hesitate to call me if additional copies of the Form A Statement would be helpful to you and the Office of the Insurance Commissioner as you review the Form A Statement and the materials filed herewith.

In accordance with RCW 48.31C.030, the Applicants have caused a copy of this filing to be delivered to the HCSC.

The Applicants respectfully request that the Office of the Insurance Commissioner afford CONFIDENTIAL treatment to the following exhibits to the Form A Statement:

- Exhibit 5. Biographical Affidavits for the managers and executive officers of ATH
- Exhibit 6. Biographical Affidavits for the directors and executive officers of WellPoint
- Exhibit 7. Commitment Letter
- Exhibit 11. Employment Agreements


These Exhibits contain either proprietary trade secret information, the disclosure of which would be materially adverse to the Applicants, AGP, and/or the HCSC, or confidential personal information about individuals associated with the Applicants. These exhibits are being filed with this Form A Statement in sealed envelopes marked "Confidential." We appreciate the Office of the Insurance Commissioner maintaining these exhibits as confidential and ask that you and the Office of the Insurance Commissioner notify the Applicants before any disclosure of such confidential documents is made so that the Applicants will have the opportunity to defend against such disclosure.

We will provide the following documents in a supplemental filing as soon as they are available: the preliminary proxy statement to be filed by AGP with the Securities and Exchange Commission; and, the required biographical affidavits for Samuel R. Nussbaum, M.D., Raja Rajamannar, and Harlan Levine, M.D.

We appreciate your time and attention to this important Form A Statement and the materials submitted as part of this Form A filing. We look forward to working with you and all the representatives of the Office of the Insurance Commissioner during your review of this filing.

Please do not hesitate to contact me at my direct line or e-mail address given above in the letterhead, or my cell phone at 206-931-5594, or Tibor Klopfer with the law firm of Faegre Baker Daniels LLP at (317) 237-1133, with any questions regarding this filing or if you want us to provide any additional materials you deem necessary for your review.

Very truly yours,



Brian F. Kreger
Kreger Beghly, PLLC

Enclosures: Form A Statement including Exhibits 1 through 12

Cc: Tibor Klopfer, Faegre Baker Daniels LLP
File of Kreger Beghly, PLLC

FORM A
STATEMENT REGARDING THE
ACQUISITION OF CONTROL OF A DOMESTIC HEALTH CARRIER

AMERIGROUP WASHINGTON, INC.,
a Washington-domiciled health care service contractor, and
a direct wholly owned subsidiary of AMERIGROUP Corporation,
a Delaware corporation

BY

WELLPOINT, INC.,
an Indiana corporation
and
ATH HOLDING COMPANY, LLC,
an Indiana limited liability company, and
a direct wholly owned subsidiary of WellPoint, Inc.
collectively, Applicants

Filed with the Washington State Office of the Insurance Commissioner

Dated: August 3, 2012

Name, title, address, and telephone number of individual to whom
notices and correspondence concerning this Statement should be addressed:

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Executive Vice President and General Counsel
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ORIGINAL

This Statement Regarding the Acquisition of Control of a Domestic Health Carrier (this "Statement") is submitted by WellPoint, Inc., an Indiana corporation ("WellPoint"), and ATH Holding Company, LLC, an Indiana limited liability company and a direct wholly owned subsidiary of WellPoint ("ATH"), in connection with the proposed merger of AMERIGROUP Corporation, a Delaware corporation ("AGP"), and WellPoint Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of ATH ("Merger Sub"), pursuant to an Agreement and Plan of Merger dated July 9, 2012 (the "Merger Agreement") more particularly described below. That merger would constitute a change of control of AMERIGROUP Washington, Inc., a Washington health care service contractor (the "HCSC").

WellPoint and ATH (together, the "Applicants") respectfully request approval from the Insurance Commissioner of the State of Washington under Section 48.31C.030 of the Revised Code of Washington for the acquisition of control described herein.

ITEM 1. HEALTH CARRIER AND METHOD OF ACQUISITION

The name and address of the HCSC to which this Statement relates is as follows:

AMERIGROUP Washington, Inc.
705 5th Avenue South
Seattle, Washington 98104

The federal identification number of the HCSC is 27-3510384. The NAIC number of the HCSC is 14073. The WA OIC number of the HCSC is 500653.

The HCSC will be acquired by WellPoint when Merger Sub is merged with and into the HCSC's parent company, AGP, in accordance with the applicable merger statutes of the Delaware General Corporation Law (the "Merger"). A copy of the Merger Agreement is attached hereto as Exhibit 1. Immediately upon the consummation of the Merger, the separate corporate existence of Merger Sub will cease, and AGP will continue as the surviving corporation (the "Surviving Corporation") and as an indirect wholly owned subsidiary of WellPoint. WellPoint will, by virtue of the Merger, acquire control of the HCSC and beneficial ownership of 100% of the stock of the HCSC.¹

The current organizational structure of the HCSC and its affiliates is shown on the chart attached as Exhibit 2. The chart attached as Exhibit 3 shows the current organizational structure of WellPoint and its affiliates, including ATH and Merger Sub. Attached as Exhibit 4 is a chart reflecting the pro forma organizational structure of WellPoint and its affiliates following and as affected by the Merger.

¹ The HCSC will continue as a direct wholly owned subsidiary of AGP, as the Surviving Corporation. The Surviving Corporation will be a direct subsidiary of ATH, which is a direct wholly owned subsidiary of WellPoint.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANTS

(a) Names and Addresses of Applicants

The names and addresses of the Applicants seeking to acquire control of the HCSC are:

WellPoint, Inc.
120 Monument Circle
Indianapolis, IN 46204

ATH Holding Company, LLC
120 Monument Circle
Indianapolis, IN 46204

(b) Nature of Applicants' Business

(b)(1) Nature of Business Operations of ATH

ATH is an Indiana limited liability company and a direct wholly owned subsidiary of WellPoint. It has no business operations of its own and serves as a holding company for several of WellPoint's operating insurance companies and other subsidiaries, as shown on the organizational chart attached as Exhibit 3. ATH intends to continue serving as an intermediate holding company.

(b)(2) Nature of Business Operations of WellPoint

General Business Description

WellPoint, through its subsidiaries, is one of the largest health benefits companies in terms of medical membership in the United States, serving 33.5 million medical members through its affiliated health plans and a total of more than 65.0 million individuals through all subsidiaries as of June 30, 2012. WellPoint serves Washington through its Anthem Life Insurance Company and UniCare Life and Health Insurance Company subsidiaries.² WellPoint is an independent licensee of the Blue Cross and Blue Shield Association, or BCBSA, an association of independent health benefit plans, and serves its members as the Blue Cross and/or Blue Shield licensee for all or portions of fourteen states: California, Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri, Nevada, New Hampshire, New York, Ohio, Virginia and Wisconsin. In a majority of these service areas, WellPoint's affiliated health plans do business as Anthem Blue Cross, Anthem Blue Cross and Blue Shield, Blue Cross and Blue Shield of Georgia, Empire Blue Cross Blue Shield or Empire Blue Cross (in the New York service areas). WellPoint also serves customers throughout the country through its UniCare insurers and health plans, and in certain California, Arizona and Nevada markets through its CareMore Health Group, Inc. subsidiary. WellPoint is licensed to conduct insurance operations in all 50 states through its subsidiaries.

WellPoint's mission is to improve the lives of the people it serves and the health of its communities. WellPoint strives to achieve this mission by creating the best health care value

² In 2011, Anthem Life Insurance Company had \$1,596 in commercial accident and health insurance premiums. In 2011, UniCare Life and Health Insurance Company had \$457,979 in commercial accident and health insurance premiums and \$2,470,058 in Medicare premiums.

in the industry, excelling at day-to-day execution, and capitalizing on new opportunities to drive growth. By delivering on its mission, WellPoint expects to create greater value for its customers and shareholders.

Through its subsidiaries, WellPoint offers a broad spectrum of network-based managed care plans to the large and small employer, individual, Medicaid and senior markets. WellPoint's managed care plans include preferred provider organizations, health maintenance organizations, point-of-service plans, traditional indemnity plans and other hybrid plans, including consumer-driven health plans, and hospital only and limited benefit products. In addition, WellPoint provides a broad array of managed care services to self-funded customers, including claims processing, underwriting, stop loss insurance, actuarial services, provider network access, medical cost management, disease management, wellness programs and other administrative services. WellPoint also provides an array of specialty products and services including life and disability insurance benefits, dental, vision, behavioral health benefit services, radiology benefit management, analytics-driven personal health care guidance and long-term care insurance. Further, WellPoint provides services to the Federal Government in connection with the Federal Employee Program and various Medicare programs. Finally, WellPoint sells contact lenses, eyeglasses and other ocular products through its recently acquired 1-800 CONTACTS, Inc. subsidiary.

The aging of the population and other demographic characteristics and advances in medical technology continue to contribute to rising health care costs. WellPoint's managed care plans and products are designed to encourage providers and members to participate in quality, cost-effective health benefit programs by using the full range of its innovative medical management services, quality initiatives and financial incentives.

WellPoint believes health care is local and feels that it has the strong local presence required to understand and meet local customer needs. WellPoint believes it is well positioned to deliver what customers want: innovative, choice-based and affordable products; distinctive service; simplified transactions; and better access to information for quality care.

WellPoint believes its local presence and national expertise create opportunities for collaborative programs that reward physicians and hospitals for clinical quality and excellence. WellPoint feels that its commitment to health improvement and care management provides added value to customers and health care professionals.

WellPoint believes that an essential ingredient for practical and sustainable improvements in health care is raising health care quality while managing costs for total cost affordability. WellPoint has identified solutions that it believes will deliver better health care while reducing costs. These include driving innovation in paying and partnering with providers to achieve improved cost, quality and health along with finding new, effective ways to manage risk and engage the member as a consumer.

In addition, WellPoint continues to enhance interactions with customers, producers (brokers and agents), employees and other stakeholders through web-enabled technology and improving internal operations. WellPoint's approach includes not only sales and distribution of health benefits products on the Internet, but also implementation of advanced capabilities

that improve service benefiting customers, producers (brokers and agents), and providers while optimizing administrative costs. These enhancements will also help improve the quality, coordination and safety of health care through increased communications between patients and their physicians.

Additional information concerning WellPoint's business, history, operating segments, strategies and operating principles, acquisitions and merger history, health benefits products and services, and other matters can be found under the caption "Item 1. Business" in WellPoint's Annual Report on Form 10-K for the year ended December 31, 2011, filed with the Securities and Exchange Commission, a copy of which is attached hereto as Exhibit 9-A.

Strategies and Operating Principles

WellPoint's legacy and tradition include a commitment to customers and to the communities it serves. WellPoint contributes to health-related organizations and charitable efforts in communities large and small throughout its states of operation. WellPoint employees also devote thousands of volunteer hours to significant local causes.

WellPoint's core objectives describe its aspirations for the future: *Create the best health care value in our industry. Excel at day-to-day execution. Capitalize on new opportunities to drive growth.*

In executing its core objectives, WellPoint adheres to the following core values: *Customer First; Integrity; Personal Accountability for Excellence; One Company, One Team; and, Continuous Improvement.*

WellPoint's mission statement defines the purpose for the company: *To improve the lives of the people we serve and the health of our communities.* To accomplish its mission, WellPoint seeks to build on its strong foundation of service, quality, and day-to-day operational excellence.

WellPoint's Financial Strength and Credit Ratings

The current financial strength and credit ratings of WellPoint are as follows (as of July 10, 2012):

Standard & Poor's Rating Services Counter Party Credit Ratings/Senior Debt Commercial Paper	A- A-2
A.M. Best Company, Inc. Counter Party Credit Ratings/Senior Debt Commercial Paper	bbb+ AMB-2
Moody's Investor Services, Inc. Counter Party Credit Ratings/Senior Debt Commercial Paper	Baa2 P-2
Fitch, Inc. Counter Party Credit Ratings/Senior Debt Commercial Paper	A- F1

WellPoint Subsidiaries' Financial Strength/Claims Paying Ability Ratings

The current financial strength/claims paying ability ratings of WellPoint's principal subsidiaries are as follows (as of July 10, 2012):

Standard & Poor's Rating Services	A+
A.M. Best Company, Inc.	A
Moody's Investor Services, Inc.	A2
Fitch, Inc.	AA-

Shortly following public announcement of the Merger Agreement, and as is customary in transactions of this nature, A.M. Best Company, Inc. placed its WellPoint and WellPoint subsidiaries ratings under review with negative implications, and Fitch, Inc. placed its WellPoint and WellPoint subsidiaries ratings on "Rating Watch Negative" and indicated that, following completion of the Merger, it expects to downgrade the WellPoint debt ratings by one notch and may downgrade the WellPoint subsidiaries' financial strength ratings by one notch.

Business Intended to Be Done by WellPoint

WellPoint intends to continue its present business activities in the future. (For more information regarding transition planning, please see Item 5.)

(c) Organizational Chart.

The organizational charts attached hereto as Exhibits 3 and 4 present the identities of and the inter-relationships among WellPoint and its affiliates prior to and following the Merger. Such

charts indicate the percentage of voting securities of each entity owned or controlled by WellPoint or by any other such entity as well as the type of organization and the state or other jurisdiction of domicile of each entity specified therein. Unless otherwise indicated on such charts or in this Statement, each entity is a corporation and control is maintained by the ownership or control of voting securities. No person directly or indirectly owns, controls, holds with power to vote or holds proxies representing collectively ten percent or more of the voting securities of WellPoint. No court proceeding involving a reorganization or liquidation is pending with respect to WellPoint or any of its affiliates.

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANTS

NAIC biographical affidavits are being provided for each of the individuals identified in the lists below. All biographical affidavits filed in response to this Item 3 are being separately filed in sealed envelopes marked "Confidential." The Applicants request that (i) the biographical affidavits be afforded confidential treatment, (ii) the Applicants be notified in advance of any proposed disclosure by the Washington State Office of the Insurance Commissioner (the "OIC"), and (iii) the Applicants be given a reasonable opportunity to seek a protective order or take other action to prevent or limit any such disclosure.

Managers and Executive Officers of ATH

Below is a list of the managers and executive officers of ATH. The business addresses and residence addresses of the managers and executive officers of ATH are stated in the biographical affidavits for such persons, which are being separately filed confidentially as Exhibit 5.

ATH's Board of Managers currently consists of the following members:

<u>Manager</u>	<u>Principal Occupation</u>
Carter A. Beck	Senior Vice President and Counsel of WellPoint, Inc.
Wayne S. DeVeydt	Executive Vice President and Chief Financial Officer of WellPoint, Inc.
Catherine I. Kelaghan	Vice President and Counsel of WellPoint, Inc.

ATH is managed by the following executive officers:

<u>Officer</u>	<u>Title</u>
Wayne S. DeVeydt	Chairperson and President
Kathleen S. Kiefer	Secretary

R. David Kretschmer

Treasurer

Raymond L. Umstead

Assistant Secretary

Directors and Executive Officers of WellPoint

Below is a list of the directors and executive officers of WellPoint. The business addresses and residence addresses of the directors and executive officers of WellPoint are stated in the biographical affidavits for such persons, which are being separately filed confidentially as Exhibit 6.

WellPoint's Board of Directors currently consists of the following members:

<u>Director</u>	<u>Principal Occupation</u>
Angela F. Braly	Chair of the Board, President and CEO, WellPoint, Inc.
Lenox D. Baker, Jr., M.D.	Former President, Mid-Atlantic Cardiothoracic Surgeons, Ltd.
Susan B. Bayh	Attorney at Law
Shelia P. Burke	Senior Research Faculty, John F. Kennedy School of Government, Harvard University
Robert L. Dixon, Jr.	Senior Vice President and Global Chief Information Officer, PepsiCo, Inc.
Julie A. Hill	Owner, The Hill Company
Warren Y. Jobe	Former Senior Vice President, Southern Company
Ramiro G. Peru	Former Executive Vice President and Chief Financial Officer, Phelps Dodge Corporation
William J. Ryan	Former Chairman and President, TD Banknorth, Inc.
George A. Schaefer, Jr.	Former Chairman and CEO, Fifth Third Bancorp
Jackie M. Ward	Retired CEO, Intec Telecom Systems PLC

The day-to-day affairs of WellPoint are managed by the following executive officers:

<u>Officer</u>	<u>Title</u>
Angela F. Braly	Chair of the Board, President and CEO
Lori A. Beer	Executive Vice President, Enterprise Business Services
Randal L. Brown	Executive Vice President, Chief Human Resources Officer
John Cannon	Executive Vice President, General Counsel, Corporate Secretary and Chief Public Affairs Officer
Wayne S. DeVeydt	Executive Vice President and Chief Financial Officer
John Gallina	Chief Accounting Officer, Controller and Chief Risk Officer
Kenneth R. Goulet	Executive Vice President, Employer, Medicaid, Individual and Specialty
Harlan Levine, M.D.	Executive Vice President, Comprehensive Health Solutions
Gloria McCarthy	Executive Vice President, Office of the CEO
Samuel R. Nussbaum, M.D.	Executive Vice President, Clinical Health Policy, and Chief Medical Officer
Raja Rajamannar	Executive Vice President, Senior Business and Chief Transformation Officer

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

- (a) Nature, Source and Amount of Funds or Other Consideration Used or to Be Used in Effecting the Merger or Other Acquisition of Control

Source and Amount of Consideration

The Merger Agreement provides that, subject to certain customary exceptions, each share of common stock, \$0.01 par value of AGP (the "AGP Common Stock") issued and outstanding immediately prior to the effective time of the Merger (the "Effective Time") will be converted at the Effective Time into the right to receive \$92 in cash, without interest (the "Merger Consideration").³ Upon effectiveness of the Merger, all issued and outstanding shares of AGP Common Stock will be cancelled and will cease to exist.

WellPoint estimates that it will have cash requirements of approximately \$4.9 billion for the Merger Consideration. WellPoint intends to use a combination of \$700 million of its cash on hand, \$500 million from the issuance of commercial paper, and \$3.8 billion of debt financing or borrowing to meet those cash needs.

In addition to payment of the Merger Consideration, WellPoint will guarantee the approximately \$475 million principal amount of existing AGP indebtedness, which will remain outstanding.

Debt Financing or Borrowing

WellPoint intends to make a Debt Offering, and/or secure syndicated Term Loans (each as defined below) prior to closing the Merger to finance approximately \$3.8 billion of the Merger Consideration. "Debt Offering" means an incurrence of debt for borrowed money (including an issuance of senior unsecured notes through a public offering or in a Rule 144A or other private placement, debt securities convertible into equity securities, issued in a public offering, private placement or otherwise, or bank loans by WellPoint), other than (i) intercompany debt, (ii) debt under WellPoint's existing credit facility, (iii) Term Loans (to the extent commitments in respect of the Bridge Loan Facility (as defined below) are reduced upon the effectiveness of the commitments in respect of such Term Loans), or (iv) indebtedness incurred in the ordinary course of business, including, without limitation, borrowings under existing credit facilities. "Term Loans" means any term loans of or guaranteed by WellPoint syndicated in the commercial bank or institutional loan market. As is customary in transactions of this nature, the ultimate nature and mix of Debt Offering and Term Loans has not been decided at this time and will be determined in the future based on prevailing market conditions and other financial factors.

As a contingency, WellPoint has arranged for \$3.0 billion of bridge financing by entering into a commitment letter (the "Commitment Letter"), dated July 6, 2012, with Credit Suisse AG

³ The exceptions are: (i) shares held by AGP as treasury shares, (ii) shares owned by WellPoint and Merger Sub, (iii) shares owned by subsidiaries of AGP and WellPoint and (iv) shares held by any person who has properly demanded appraisal rights pursuant to the Delaware General Corporation Law.

and Credit Suisse Securities (USA) LLC (the "Financing Parties") for a bridge loan agreement under which it may borrow up to \$3.0 billion to finance the Merger Consideration and to pay expenses of the Merger and related transactions (the "Bridge Loan Facility"). A copy of the Commitment Letter is being separately filed in a sealed envelope marked "Confidential" as Exhibit 7.

None of the Debt Offering indebtedness, the Term Loans, or the Bridge Loan Facility will be secured by stock of subsidiaries or any other assets of WellPoint, whether acquired in the Merger or otherwise.

Cash on Hand, Commercial Paper and Existing Senior Credit Facility

WellPoint plans to use other sources of cash, including cash on hand and the issuance of commercial paper under its existing commercial paper program, to fund the remaining portion of the Merger Consideration or to fund any other cash requirements for the Merger and related transactions. As of June 30, 2012, WellPoint had approximately \$2.5 billion of cash and investment securities held at the parent company. Also as of June 30, 2012, approximately \$1.7 billion was available for borrowing under WellPoint's authorized commercial paper program and up to \$2.0 billion was available under WellPoint's existing senior credit facility with certain lenders. WellPoint's existing senior credit facility was established for general corporate purposes. It provides credit of up to \$2.0 billion and matures on September 29, 2016. The interest rate on this facility is based on either (i) the LIBOR rate plus a predetermined percentage rate based on WellPoint's credit rating at the date of utilization, or (ii) a base rate as defined in the related agreement plus a predetermined percentage rate based on WellPoint's credit rating at the date of utilization. WellPoint's ability to borrow under this facility is subject to compliance with certain covenants. There were no amounts outstanding under this facility as of June 30, 2012.

WellPoint's commercial paper and indebtedness under its existing senior credit facility are not secured by stock of subsidiaries or any other assets of WellPoint (and will not be secured by stock or any other assets acquired in the Merger or otherwise).

Relationship Between Borrower and Lender

Lenders under the Debt Offering and/or Term Loans have not been determined at this time. Under the Commitment Letter for the Bridge Loan Facility, (a) Credit Suisse AG has committed to act as the sole administrative agent through itself or one of its affiliates for the Bridge Loan Facility, (b) Credit Suisse AG will provide up to \$3 billion, the full principal amount of the bridge loan, subject to the addition of additional Financing Parties, as permitted under the Commitment Letter, and (c) Credit Suisse Securities (USA) LLC (together with such additional agents as may be appointed by WellPoint) have committed to act as the joint lead arrangers for the Bridge Loan Facility. WellPoint has also retained Credit Suisse to act as a financial advisor in connection with the Merger. WellPoint does not have a material relationship with the lenders under its existing senior credit facility, other than under the facility itself.

(b) Criteria Used in Determining the Nature and Amount of Such Consideration

WellPoint and AGP are both publicly held companies. WellPoint performed a customary due diligence investigation and reviewed, among other things, the financial statements, operations and legal documents of AGP and its subsidiaries. The basis and terms of the Merger, including the consideration to be paid, resulted from arm's length negotiations between the respective management, representatives, financial advisors and counsel of WellPoint and AGP. The respective Boards of Directors of WellPoint and AGP, after due diligence review and analysis under customary valuation techniques, have approved the transactions contemplated by the Merger Agreement and have determined that the Merger Agreement and related agreements are advisable and in the best interests of their respective shareholders.

Additional information concerning the Merger Agreement, the Merger and related matters can be found in WellPoint's Current Report on Form 8-K, dated July 9, 2012, filed with the Securities and Exchange Commission, a copy of which is attached hereto as Exhibit 12.

(c) Identities of the Lenders

Lenders under the Debt Offering and/or Term Loans have not been determined at this time. Under the Commitment Letter for the Bridge Loan Facility, Credit Suisse AG would provide up to \$3 billion, the full principal amount of the Bridge Loan Facility, subject to the addition of additional Financing Parties, as permitted under the Commitment Letter.

The Applicants respectfully request that (i) the terms and conditions of the Commitment Letter and of WellPoint's senior credit facility, and the identities of the lenders under the senior credit facility be afforded confidential treatment, (ii) the Applicants be notified in advance of any proposed disclosure by the OIC, and (iii) the Applicants be given a reasonable opportunity to seek a protective order or take other action to prevent or limit any such disclosure.

ITEM 5. FUTURE PLANS OF HEALTH CARRIER

WellPoint has no present plans to cause the HCSC to declare any extraordinary dividend, to liquidate the HCSC, to sell or pledge the HCSC's stock or any of its assets, or to merge or consolidate it with any person or persons. There also are presently no plans to make any other material change in the HCSC's business operations, corporate structure or management, other than as may be provided herein or as may arise in the ordinary course of business. WellPoint and AGP have, pursuant to the terms of the Merger Agreement, established a transition planning team comprised of representatives of WellPoint and AGP to facilitate the transition and the successful combination of the operations of WellPoint and AGP. The transition team will be responsible for developing, and monitoring the development of, and deliverables due under, an action plan for the combination of the businesses following the completion of the Merger.

While employment levels at the HCSC can be expected to vary in the ordinary course of business including as a result of health care reform, WellPoint has no current plans or proposals to reduce in any material respect the number of employees employed by the HCSC. Following the Merger, the HCSC's employees are expected to remain employees of the HCSC.

Under the Merger Agreement, WellPoint has agreed that until the one-year anniversary of the Effective Time, the Surviving Corporation will provide to the employees of AGP who are employed by the Surviving Corporation following the Merger compensation and employee benefits, excluding equity-based compensation, that are, in the aggregate, substantially similar to or no less favorable than those provided to such employees immediately prior to the consummation of the Merger or those generally provided to similarly situated employees of WellPoint.

Following the Merger, the HCSC will continue to maintain its separate corporate existence. Certain members of the HCSC's Board of Directors and certain executive officers will be replaced, and new directors and executive officers will be selected from among those individuals currently serving as executive officers and/or directors (or managers, as applicable) of the Applicants.

The current directors of the HCSC are:

<u>Director</u>	<u>Title</u>
Aileen McCormick	Chairperson
Scott W. Anglin	Director
Nicholas J. Pace	Director

The current executive officers of the HCSC are:

<u>Officer</u>	<u>Title</u>
Rosa M. Cozad	President and Chief Executive Officer
Nicholas J. Pace	Vice President and Secretary
Margaret M. Roomsburg	Vice President and Assistant Secretary
Linda K. Whitley-Taylor	Vice President and Assistant Secretary
Scott W. Anglin	Vice President and Treasurer
Karen L. Shields	Vice President and Assistant Treasurer
James W. Truess	Vice President and Assistant Treasurer

A list of the individuals that WellPoint anticipates will constitute the directors and executive officers of the HCSC follows.

The proposed directors of the HCSC after the Merger are:

<u>Director</u>	<u>Title</u>
Aileen McCormick	Chairperson
Catherine I. Kelaghan	Director
Carter A. Beck	Director

The proposed executive officers of the HCSC after the Merger are:

<u>Officer</u>	<u>Title</u>
Rosa M. Cozad	President and Chief Executive Officer
Kathleen S. Kiefer	Secretary
Nicholas J. Pace	Vice President and Assistant Secretary
R. David Kretschmer	Treasurer
Scott W. Anglin	Vice President and Assistant Treasurer

With respect to any new proposed post-Merger directors and executive officers of the HCSC, information about such persons (including, without limitation, the present principal business activity, occupation or employment, including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on) is included in the biographical affidavits included in confidential Exhibits 5 and 6.

The Applicants anticipate that AGP's management team will remain with WellPoint following the Merger and will help lead WellPoint's efforts to effectively manage and further expand WellPoint's state-sponsored business programs. WellPoint has entered into employment agreements, to be effective upon closing of the Merger, with three of the key leaders of AGP – Jim Carlson (Chairman and Chief Executive Officer of AGP), Jim Truess (Executive Vice President and Chief Financial Officer of AGP) and Dick Zoretic (Executive Vice President and Chief Operating Officer of AGP), who will be remaining with the organization and will have important roles in the post-Merger operations of WellPoint. Additional information on these relationships will be included in AGP's preliminary proxy statement to be filed with the Securities and Exchange Commission, a copy of which will be provided supplementally, once available.

Copies of the employment agreements referenced in this Item 5 are being separately filed in sealed envelopes marked "Confidential." The Applicants request that (i) the employment agreements be afforded confidential treatment, (ii) the Applicants be notified in advance of any proposed disclosure by the OIC, and (iii) the Applicants be given a reasonable opportunity to seek a protective order or take other action to prevent or limit any such disclosure.

The Applicants anticipate certain operations of the HCSC, such as human resources, payroll, finance and accounting, may be integrated with WellPoint's existing operations following consummation of the Merger. Leaders from AGP and WellPoint will finalize such integration plans together. Also, it is anticipated that the HCSC will become a member of WellPoint's consolidated tax group upon consummation of the Merger, and the Applicants are evaluating the need for any changes to intercompany tax sharing agreements that may be appropriate.

Effective July 1, 2012, the HCSC serves and, after the Merger will continue to serve, Washington in the Medicaid line of business. The Applicants do not anticipate that the Merger will materially impact Washington policyholders (including with respect to benefits or premiums).

ITEM 6. NONPROFIT HEALTH CARRIERS

(a) Not applicable.

(b) Not applicable.

ITEM 7. FOR-PROFIT HEALTH CARRIERS

(a) Voting Securities To Be Acquired

The HCSC has 1,000 shares of voting common stock issued and outstanding, all of which are held by AGP. WellPoint proposes to acquire 100% of the issued and outstanding voting securities of AGP as of the date of the Merger and, thereby, 100% of the issued and outstanding voting securities of the HCSC, pursuant to the Merger Agreement. WellPoint and AGP, with the assistance of their respective representatives, financial advisors and counsel and under the direction of their respective boards of directors, determined the nature and amount of the Merger Consideration, and the other terms and conditions of the proposed transaction through arm's length negotiation. A copy of the Merger Agreement is attached hereto as Exhibit 1.

(b) Ownership of Voting Securities

Except as provided in the Merger Agreement, and except for 4,900 shares of AGP Common Stock held by certain WellPoint subsidiaries in their investment portfolios, there are no voting securities of any class of AGP or the HCSC that are beneficially owned or concerning which there is a right to acquire beneficial ownership by the Applicants, their affiliates, or any person listed in Item 3. Under the terms of the Merger Agreement, AGP Common Stock held by any subsidiary of WellPoint other than Merger Sub will be converted into such number of shares of capital stock of the Surviving Corporation such that each subsidiary owns the same percentage of the outstanding stock of the Surviving Corporation immediately following the Effective Time as such subsidiary owned in AGP immediately prior to the Effective Time.

(c) Contracts, Arrangements, or Understandings with Respect to Voting Securities

Except as provided in the Merger Agreement, there are no contracts, arrangements or understandings with respect to any voting security of AGP or the HCSC in which WellPoint, its affiliates or any person listed in Item 3 is involved, including any transfer of any securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies.

(d) Recent Purchases of Voting Securities

There have been no purchases of any voting securities of AGP or the HCSC by WellPoint, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this Statement.

(e) Recent Recommendations To Purchase

There have been no recommendations to purchase any voting security of AGP or the HCSC made during the 12 calendar months preceding the filing of this Statement by WellPoint, its affiliates or any person listed in Item 3, or by any other person at the suggestion of WellPoint, its affiliates or any person listed in Item 3.

(f) Agreements with Broker-Dealers

There have been no agreements, contracts or understandings made with any broker-dealer as to solicitation of voting securities of AGP or the HCSC for tender.

ITEM 8. FINANCIAL STATEMENTS AND EXHIBITS

The following is a list of the financial statements and exhibits filed with this Statement:

Merger Agreement dated as of July 9, 2012 among WellPoint, Merger Sub and AGP	<u>Exhibit 1</u>
Pre-Merger organizational chart for the HCSC and its affiliates	<u>Exhibit 2</u>
Pre-Merger organizational chart for WellPoint and its affiliates	<u>Exhibit 3</u>
Pro forma post-Merger organizational chart for WellPoint and its affiliates	<u>Exhibit 4</u>
Biographical Affidavits for the managers and executive officers of ATH (submitted confidentially under separate cover)	<u>Exhibit 5</u> (confidential)
Biographical Affidavits for the directors and executive officers of WellPoint (submitted confidentially under separate cover)	<u>Exhibit 6</u> (confidential)

Commitment Letter (submitted confidentially under separate cover)	<u>Exhibit 7</u> (confidential)
2011 Summary Annual Report of WellPoint	<u>Exhibit 8-A</u>
2010 Summary Annual Report of WellPoint	<u>Exhibit 8-B</u>
Annual Report on Form 10-K of WellPoint for the year ended December 31, 2011, filed with the Securities and Exchange Commission (includes audited financial statements for 2011, 2010 and 2009)	<u>Exhibit 9-A</u>
Annual Report on Form 10-K of WellPoint for the year ended December 31, 2010, filed with the Securities and Exchange Commission (includes audited financial statements for 2010, 2009 and 2008)	<u>Exhibit 9-B</u>
Annual Report on Form 10-K of WellPoint for the year ended December 31, 2009, filed with the Securities and Exchange Commission (includes audited financial statements for 2009, 2008 and 2007)	<u>Exhibit 9-C</u>
Quarterly Report on Form 10-Q of WellPoint for the period ended March 31, 2012, filed with the Securities and Exchange Commission	<u>Exhibit 10-A</u>
Quarterly Report on Form 10-Q of WellPoint for the period ended June 30, 2012, filed with the Securities and Exchange Commission	<u>Exhibit 10-B</u>
Employment Agreements (submitted confidentially under separate cover)	<u>Exhibit 11</u> (confidential)
Current Report on Form 8-K of WellPoint, dated July 9, 2012, filed with the Securities and Exchange Commission	<u>Exhibit 12</u>

* AGP's preliminary proxy statement has not been filed with the Securities and Exchange Commission at the time of the preparation of this Statement and will be provided supplementally.

The materials filed as Exhibits 5, 6, 7 and 11 are being separately filed in sealed envelopes marked "Confidential." The Applicants request that (i) such materials be afforded confidential treatment, (ii) the Applicants be notified in advance of any proposed disclosure by the OIC, and (iii) the Applicants be given a reasonable opportunity to seek a protective order or take other action to prevent or limit any such disclosure.

ITEM 9. COMPETITIVE IMPACT

The HCSC is one of five health plans selected by the state to provide managed care to Medicaid and Basic Health program beneficiaries in Washington. It began serving members in Washington effective July 1, 2012.

Applying the criteria set forth in Section 48.31C.020 of the Revised Code of Washington, the market shares of the Applicants' insurance company subsidiaries doing business in Washington and the HCSC do not constitute *prima facie* evidence of a violation of the competitive standard. Based on publicly available year end 2011 data, the HCSC's and the Applicants' subsidiaries' Washington market shares are as follows:

	Medicare	Medicaid	Accident & Health
Amerigroup Washington, Inc.*	0.00%	0.00%	0.00%
Applicant Subsidiaries	0.14%	0.00%	0.00%**
Combined Market Share	0.14%	0.00%	0.00%

* No affiliates of the HCSC write business in Washington.

** Rounded from 0.0048%.

Accordingly, the proposed Merger does not substantially lessen competition or tend to create a monopoly in any relevant line of business in Washington.

On July 23, 2012, WellPoint filed its Hart-Scott-Rodino Act Premerger Notification and Report Form regarding the acquisition of AGP (the HCSC's parent company) with the Federal Trade Commission and the Department of Justice.

ITEM 10. SIGNATURE AND CERTIFICATION

SIGNATURE

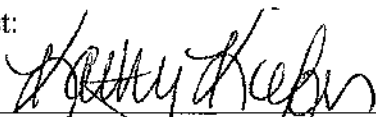
Pursuant to the requirements of RCW 48.31C.030, WellPoint, Inc. has caused this application to be duly signed on its behalf in the City of Indianapolis and State of Indiana on the 3rd day of August, 2012.

WELLPOINT, INC.

By: 

John Cannon, Executive Vice President,
General Counsel, Corporate Secretary and
Chief Public Affairs Officer

Attest:



Kathleen S. Kiefer, Vice President and
Assistant Corporate Secretary

CERTIFICATION

The undersigned deposes and says that he has duly executed the attached application dated August 3, 2012, for and on behalf of WellPoint, Inc.; that he is the Executive Vice President, General Counsel, Corporate Secretary and Chief Public Affairs Officer of such company and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with such instrument and the contents, and that the facts therein set forth are true to the best of his knowledge, information and belief.



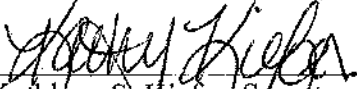
John Cannon John Cannon, Executive Vice
President, General Counsel, Corporate Secretary
and Chief Public Affairs Officer

SIGNATURE

Pursuant to the requirements of RCW 48.31C.030, ATH Holding Company, LLC has caused this application to be duly signed on its behalf in the City of Indianapolis and State of Indiana on the 3rd day of August, 2012.

ATH HOLDING COMPANY, LLC

By:

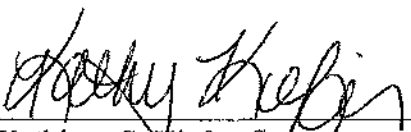

Kathleen S. Kiefer, Secretary

Attest:


Raymond L. Umstead, Assistant Secretary

CERTIFICATION

The undersigned deposes and says that she has duly executed the attached application dated August 3, 2012, for and on behalf of ATH Holding Company, LLC; that she is the Secretary of such company and that she is authorized to execute and file such instrument. Deponent further says that she is familiar with such instrument and the contents, and that the facts therein set forth are true to the best of her knowledge, information and belief.


Kathleen S. Kiefer, Secretary